

Michael O. Leavitt Governor Ted Stewart Executive Director James W. Carter Division Director

State of Utah DEPARTMENT OF NATURAL RESOURCE

DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

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August 1, 1996

Thomas W. Bachtell, President Buenaventura Resources Corporation 215 South State, Suite 550 Salt Lake City, Utah 84111

Re:

Notice of Intention to Excavate River Bed Gravel Deposit, Asphalt Ridge Mine, M/047/032, Uintah County, Utah

Dear Mr. Bachtell:

Thank you for your July 31, 1996, letter notifying us of your recent agreement with Uintah County allowing them to enter upon your leased property to excavate a surficial river bed gravel deposit. This material will be screened and crushed for use in Uintah County's road paving operations. This gravel deposit coincidentally overlies a tar sands deposit which will subsequently be mined under a separate DOGM permitting action.

Your letter indicates that the river bed gravels are disseminated throughout a surficial 1 to $2\frac{1}{2}$ foot layer of plant growth medium ("topsoil"). This letter acknowledges your commitment to segregate and stockpile the fines portion of this gravelly layer for eventual reclamation of the underlying tar sands deposit. It is our understanding that the hard cap rock which overlies the tar sands deposit will not be impacted as part of this proposal.

It is our opinion that the removal and crushing of this unconsolidated gravel in and of itself does not fall under our regulatory jurisdiction. Thank you for the notification of your intentions and for the opportunity to comment on your proposal. If you have any questions please contact me or Wayne Hedberg of my staff.

Sincerely,

Lowell P. Braxton

Deputy Director, Mining

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CC.

Tom Mitchell, AAG Lonnie Hogan, Uintah County Dan Lindsay, Home Owners Assoc.

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